



United States
Department of
Agriculture

Commodity
Credit
Corporation

Kansas City Commodity Office
Post Office Box 419205
Kansas City, Missouri 64141-6205

August 17, 1995

TO: PACKAGED BUTTER MANUFACTURERS

Enclosed is Announcement PBD-1 for the purchase of packaged butter for use in domestic programs. The effective date is August 17, 1995.

Appendix 1, (Certifications, Representations, and Warranties for Dairy Commodity Procurements) must be completed, signed and submitted annually to the Kansas City Commodity Office (KCCO). Offerors are responsible for updating the Appendix 1 as may be necessary.

NOTE: *The Appendix 1 is applicable for all dairy announcements. It is not necessary to complete a separate Appendix 1 for each announcement requesting offers to provide dairy products to Commodity Credit Corporation.*

Appendix 2 is the packaging and marking specifications for packaged butter. Exhibit G of Appendix 2 is a list of General Services Administration (GSA) Regional Business Service Centers that supply copies of referenced Federal specifications and standards.

The U.S. Small Business Administration (SBA) has established the Procurement Automated Source System (PASS) to assist large businesses in locating small suppliers of goods and services. Presently it lists profiles of almost 213,000 companies, including over 37,700 minority-owned and 47,000 women-owned firms. For more information concerning PASS, contact the SBA at 816-374-6815, FAX 816-374-6759.

We urge you to read the Announcement and the Appendixes to the Announcement carefully.

/s/

Norman D. Houser
Acting Director
Kansas City Commodity Office

Enclosures

UNITED STATES
DEPARTMENT OF
AGRICULTURE

August 17, 1995

COMMODITY
CREDIT
CORPORATION

KANSAS CITY
COMMODITY OFFICE
P.O. BOX 419205
KANSAS CITY, MO. 64141-6205

Announcement PBD-1

Purchase of Packaged Butter For Use In Domestic Programs



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ANNOUNCEMENT PBD-1**

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ANNOUNCEMENT PBD-1

Purchase of Packaged Butter for Use in Domestic Programs

1. GENERAL

A. Invitation for Offers

- (1) The Commodity Credit Corporation ("CCC") will from time to time issue an invitation for offers under this Announcement to sell packaged butter to CCC for use in domestic programs.
- (2) The invitation will specify the office to which offers are to be submitted, the closing time for receipt of offers, and provisions applicable to the proposed procurement which are in addition to or different from those set forth herein.

B. Terms and Conditions

- (1) Provisions of "General Terms and Conditions for the Procurement of Agricultural Commodities or Services," USDA-1, Revision No. 2, as amended ("USDA-1"), are incorporated as specified in section 5 of this Announcement.
- (2) Offerors are cautioned to read all terms and conditions of USDA-1, this Announcement, the Appendixes to this Announcement and the applicable invitation.

C. Delivery Basis

Offer prices shall be quoted on the basis of the points of delivery specified in the invitation. Delivery of the packaged butter will be made as specified in the invitation.

D. Certifications, Representations, and Warranties

Appendix 1 to this Announcement contains certifications, representations, and warranties that must be certified and submitted annually to CCC prior to or with an offer. In addition to an annual submission, offerors must submit to CCC an updated Appendix 1 as changes in the certifications, representations, and warranties occur.

E. Packaging and Marking Specifications

Appendix 2 to this Announcement contains packaging and marking specifications, and related requirements, applicable to butter delivered under this Announcement. References to the words "commodity" or "product" contained in Appendix 2 means butter.

2. ELIGIBILITY OF OFFERORS

To be eligible to submit an offer under this Announcement, the offeror must:

- A.** Submit a completed "Solicitation Mailing List Application" (Standard Form 129) to the Contracting Officer prior to a first offer.
- B.** Complete all portions of the SF-129, except Item 18 and include the following:
 - (1) Item 8. Provide full name and main office address of all affiliates including any parent company. A "parent" company is one that owns or controls the activities and policies of the bidder. An "affiliate" is defined on the back of Standard Form 129.
 - (2) Item 10. Identify the commodities/products the offeror is interested in supplying.
 - (3) Item 19 and 20. Signature of an officer of the company.
- C.** Resubmit an updated Form SF-129 as the information on the form changes.
- D.** Be a responsible prospective contractor as defined in Federal Acquisition Regulation (FAR) at 48 C.F.R. § 9.104. CCC may request a pre-award survey to be conducted by the Defense Contract Administration Management Area Operations for the purpose of evaluating the offeror's ability to perform the contract.

- E. Meet the definitions of a manufacturer or regular dealer as provided in sections 3 and 4, respectively, of Appendix 1.
- F. Maintain a bona fide business office in the United States for the purpose of selling to CCC the packaged butter. The offeror must maintain an office, employee, or agent for service of process.

3. SUBMISSION OF OFFERS

A. How to Submit Offers

- (1) Offers must be submitted by regular mail, express mail, or by hand. **(The invitation will specify the office to which offers are to be submitted.)** Offers must include a signed original and one copy of the offer form. Reproductions of the offer form are acceptable. Appendix 1 to this Announcement must be submitted to the Kansas City Commodity Office ("KCCO") with the offer form if it was not previously submitted within the calendar year.
- (2) Envelopes containing the offers are to be sealed and marked with the name and address of the offeror in the upper left corner. Offers submitted by express mail, must be sealed inside a second envelope. All envelopes are to have Optional Form OF-17, Sealed Bid Label, filled in and attached or must be plainly marked with the following statement:

"DO NOT OPEN UNTIL PRESCRIBED TIME UNDER ANNOUNCEMENT PBD-1, DAIRY INVITATION (Enter Appropriate Invitation Number.)"

If overnight/express service is utilized, this statement must be printed clearly on the outer express envelope, not the mailing label.
- (3) Modifications or withdrawals of offers may be submitted by letter, express mail, Telex, Easylink, or by hand.
- (4) Modifications or withdrawals of offers may be submitted via facsimile at the offeror's risk. CCC will not be responsible for any failure attributed to the transmission or receipt of facsimile changes including, but not limited to the following:
 - (a) Receipt garbled or incomplete;
 - (b) Availability or condition of the receiving facsimile equipment;

- (c) Incompatibility between the sending and receiving equipment;
 - (d) Delay in transmission or receipt of price changes;
 - (e) Failure of the bidder to properly identify the information;
 - (f) Illegibility of the information; and
 - (g) Security of data.
- (5) Modifications submitted by facsimile must contain the required signatures.

B. Where and When to Submit Offers

- (1) Offers, modifications, or withdrawals of offers must be submitted to KCCO and received by the date and local time specified in the invitation for receipt of offers. In the event such date falls on a business day when KCCO is closed, offers must be received by the specified time on the next succeeding workday.
- (2) Whether an offer, modification, or withdrawal is received timely will be determined, in the case of regular mail and express mail, by the time stamp of the Kansas City Management Office ("KCMO") mailroom.
- (3) Whether wire modifications, or withdrawals are received timely will be determined by the time the Telex was available for accessing from KCMO Easylink system, as determined by the Easylink system.

4. ACCEPTANCE OF OFFERS

- A.** Acceptance of offers by CCC will be made by telegram, facsimile, Telex, Easylink, mail, or mailgram. CCC will notify successful offerors by the date specified in the invitation.
- B.** Factors considered in accepting offers will include price, program requirements, time of shipment, the total cost to the Government to deliver the packaged butter to the ultimate destination, and the responsibility of the offeror which may be demonstrated by prior contract performance. The date of acceptance by CCC will be the contract date.
- C.** CCC may accept or reject any or all offers, or portions thereof.

5. PROVISIONS OF CONTRACT

- A.** The contract consists of:
- (1) Contractor's offer;
 - (2) CCC's acceptance;
 - (3) The applicable invitation;
 - (4) This Announcement, including Appendixes 1 and 2; and
 - (5) USDA-1, except Articles 50 and 55 and all of Part E unless otherwise modified.
- B.** Checkloading subject to Article 55 of USDA-1 may be performed at the contractor's request and upon the Contracting Officer's written approval.
- C.** If the provisions of USDA-1, and this Announcement are not consistent, the provisions of this Announcement will prevail. If the provisions of USDA-1, this Announcement, and the invitation are not consistent, those of the invitation will prevail.
- D.** No interpretation or amendment of this Announcement is valid or enforceable unless such interpretation or amendment is in writing and executed by the Contracting Officer or an authorized representative.

6. SIC CODE AND SMALL BUSINESS SIZE STANDARD

The standard industrial classification (SIC) code and the small business size standard is:

SIC Code	Size Standard (Employees)
2021	500

7. PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT

- A.** The Government suspends or debar contractors to protect the Government's interests. Contractors must not enter into any subcontract equal to or in excess of the small purchase limitation of \$25,000 with a contractor that has been debarred,

suspended, or proposed for debarment unless the acquiring agency's head or designee determines there is a compelling reason for such action (See FAR at 48 C.F.R. § 9.405).

- B.** The contractor will require each proposed first-tier subcontractor, whose subcontract exceeds the small purchase limitation of \$25,000, to disclose to the contractor, in writing, whether as of the time of award of the subcontract, the subcontractor, or any of its principals, is or is not debarred, suspended, or proposed for debarment by the federal government.
- C.** A corporate officer or a designee of the contractor must receive the written approval of the Contracting Officer before entering into a subcontract with a party that is debarred, suspended, or proposed for debarment (See FAR at 48 C.F.R. § 9.404 for information on the list of Parties Excluded from Procurement Programs). The request for approval must include the following:
 - (1) The name of the subcontractor;
 - (2) The contractor's knowledge of the reasons for the subcontractor being on the list of Parties Excluded from Procurement Programs;
 - (3) The compelling reasons for doing business with the subcontractor notwithstanding its inclusion on the list of Parties Excluded from Procurement Programs; and
 - (4) The systems and procedures the contractor has established to ensure that it is fully protecting the Government's interests when dealing with such subcontractor in view of the specific basis for the party's debarment, suspension, or proposed debarment.

8. PRODUCTION REQUIREMENTS

The butter offered to CCC must have been manufactured and packaged in the United States from milk produced in the United States, must be located in the United States when offered to CCC, and must not have been previously owned by CCC.

The butter shall be manufactured and packaged in a plant which was inspected and approved by the Dairy Grading Branch, Dairy Division, Agricultural Marketing Service (AMS), USDA, prior to submission of offer.

9. COMMODITY SPECIFICATIONS

A. Salted Butter

- (1) Butter shall be processed from fresh cream. The cream shall not have been neutralized and shall have an acid degree value (ADV) of 1.5 or less.

Butter in each container shall be one solid piece and the surface of the butter shall be smoothly finished. Butter will be subject to a keeping quality test of seven days incubation at 72 degrees F to be performed by the AMS at time of grading.

The butter must be salted and must be U.S. Grade A or higher as set forth in the United States Standards for butter and evidenced by the grading certificates issued by AMS. The butter must be not more than 60 days old on the date of shipment. Salted butter shall not contain starter distillate or diacetyl.

(2) **Cooling**

Immediately after packaging, the butter shall be placed in refrigerated space to reduce the temperature of the butter to 20 degrees F, or lower, and held at such reduced temperature until shipment. If such refrigerated space is unavailable at the packaging plant, the contractor may transport butter to a freezer facility at another location provided that the shipment to such facility is completed within 24 hours after packaging and the butter is transported in carriers which are maintained at temperatures not higher than 35 degrees F. The butter must not be crushed or misshapen during transport from the plant to the freezer facility. At the time of delivery to CCC, the butter must have a temperature of no higher than 20 degrees F.

B. Light Butter

- (1) Light butter shall comply with all applicable Federal regulations including those contained in 21 CFR Part 101.67 for nutrient content claims for butter, and 21 CFR Part 130.10 for foods named by use of a nutrient content claim and a standardized term, and the statutory standard for butter (21 U.S.C. 321a).
- (2) The quality of the cream used in the manufacture of light butter shall meet the requirements of cream acceptable for the manufacture of U.S. Grade AA butter. Dairy products used as ingredients for which there are U.S. grades established (nonfat dry milk and butter) shall meet the criteria of U.S. Extra Grade or U.S. Grade AA respectively. Dairy products for which there are no USDA grades established shall meet the applicable requirements of 7 CFR Part 58. The plants which produce dairy ingredients for use in the light butter shall be approved by the AMS.

- (3) Stabilizers and emulsifiers shall be clean and wholesome, and shall be approved by the U.S. Food and Drug Administration 21 CFR Part 182 and Part 184. Food colors shall be those certified by the U.S. Food and Drug Administration as safe for human consumption 21 CFR Part 73. Salt shall be free flowing, white refined sodium chloride and shall meet the requirements of The Food Chemical Codex.
- (4) The light butter shall possess a pleasing clean dairy flavor. It may possess slight acid, coarse, feed, flat, and definite cooked flavors. A safe and suitable bacterial culture or other ingredients may be added for flavoring. The light butter shall possess a smooth creamy texture. It may be slight leaky and short bodied. The product shall have a uniform light to medium yellow color when compared to the USDA Butter Color Standards. It may be waxy in appearance.
- (5) Light butter must contain no more than 40 percent milkfat and no more than 1.5 percent salt. The moisture content thought not specified shall be less than the amount of cream, milk or milk constituents.
- (6) Microbial determinations shall be made in accordance with the methods described in the latest edition of Standards Methods for the Examination of Dairy Products, published by the American Public Health Association. Samples shall be taken as often as necessary to insure microbial control.
 - (a) Coliform - Not more than 10 per gram
 - (b) E. Coli. - Negative
 - (c) Yeast and Mold - Not more than 10 per gram
 - (d) Standard Plate Count - Not more than 1,000 per gram
- (7) Light butter shall be cooled and maintained between 35 degrees F to 40 degrees F prior to inspection, then tempered to 45 degrees F to 55 degrees F for product evaluation. The light butter shall be at least 48 hours old when evaluated.

C. Liability

Butter which downgrades to Grade B due to a whey flavor or other latent defects within 180 days of delivery will be rejected to the contractor in accordance with the provisions of Article 61 of USDA-1.

10. INSPECTION

- A.** The inspection required by Article 54 of USDA-1 will be performed by AMS. Procedures to be followed and a schedule of fees for these services may be obtained by contacting:

Dairy Grading Branch
Dairy Division, AMS
Building A, Suite 370
800 Roosevelt Road
Glen Ellyn, Illinois 60137

Subject to Article 54(o) of USDA-1, certificates issued by AMS is evidence of the quality, weight, and packaging of the butter provided to CCC under the Announcement.

- B.** The contractor must not ship the packaged butter unless the contractor is informed by AMS that the containers, labels, and markings meet the Acceptable Quality Level (AQL) of the United States Standards for Condition of Food Containers (7 C.F.R. Part 42). Notice by AMS that a lot¹ scheduled for shipment does not meet the AQL constitutes rejection of such lot.
- C.** Except with respect to shipments which do not meet the AQL standards, and notwithstanding Article 56(b) of USDA-1, the contractor may ship the packaged butter prior to receipt of the inspection results if the contractor assumes all risks and liabilities which arise with respect to the failure of the shipped butter to meet contract specifications.
- D.** If the butter fails to meet contract specifications of one or more factors on the first inspection, the contractor may arrange for an appeal inspection of the packaged butter at origin or a subsequent point of delivery if the provisions set forth in 7 C.F.R., Part 58, issued under the Agricultural Marketing Act of 1946, as amended, with respect to

¹

The term "lot" as used in this Announcement means the commodity represented by a specific grading certificate issued by AMS in accordance with paragraph 11.A. of this Announcement.

appeal inspections can be met. At the option of the contractor, rejected lots may be reworked by correcting packaging deficiencies, removing unsatisfactory containers, and other similar actions. Reworked lots may be resubmitted for AMS reinspection. For purposes of payment under the contract, the latest inspection will prevail.

- E.** Examination and certification of the butter by AMS does not relieve contractor of its responsibility to deliver butter which complies with all contractual and specification requirements.

11. PACKAGING AND NET WEIGHT REQUIREMENTS

- A.** The butter must be packaged with 1-pound solid prints, 1/4-pound solid prints, patties, or 25 kilograms, whichever is stated in the invitation. Shipping containers must be packed with 36/1-pound prints, 36/1/4-pound cartons (4/1/4-pound prints per carton), 18/1/4-pound cartons (4/1/4-pound prints per carton), 6/5-pound units of patties, or 25 kilogram containers, whichever is applicable. The butter must be packaged in accordance with the requirements of the contract and the specifications set forth in Appendix 2 of this Announcement.
- B.** Individual shipping containers packed with 36/1-pound prints or 36/1/4-pound cartons must weigh not less than 35.75 net pounds. Individual shipping containers packed with 18/1/4-pound cartons must weigh not less than 17.75 net pounds. Individual shipping containers packed with 6/5-pound units of patties must weigh not less than 29.75 net pounds. Individual shipping containers packed with 25 kilograms must weigh not less than 55.115 net pounds. Butter that varies from the net weight requirements stated above will be rejected, or at the discretion of the Contracting Officer, accepted at discounts to be determined by CCC. The total net weight of all shipping containers test weighed by AMS within a lot must not vary more than one-tenth (.1) of one percent under the aggregate marked net weight of all shipping containers within the lot.
- C. Discounts For Test Weight Shortage**
 - (1) Any lot of packaged butter with test weight shortage in excess of one-tenth (.1) of one percent, but not more than one (1.0) percent, under the marked net weight of all shipping containers within the lot, will be accepted by CCC at the following specified discounts below the contract price:

Discounts for Test Weight Shortage			
Percentage of Test Weight Shortage			Discount per Lot
Greater than	.1% up to and including	.2%	\$25.00
Greater than	.2% up to and including	.3%	\$50.00
Greater than	.3% up to and including	.4%	\$75.00
Greater than	.4% up to and including	.5%	\$110.00
Greater than	.5% up to and including	.6%	\$145.00
Greater than	.6% up to and including	.7%	\$180.00
Greater than	.7% up to and including	.8%	\$230.00
Greater than	.8% up to and including	.9%	\$280.00
Greater than	.9% up to and including	1.0%	\$330.00

- (2) Any lot with weight shortages in excess of one (1.0) percent of the aggregate marked net weight of all shipping containers within the lot will be rejected or, at the discretion of the Contracting Officer, accepted at discounts set forth in an amendment to the contract.
- (3) In addition to the discounts specified above, individual shipping containers of packaged butter included in the sample test weighed in a lot which do not meet the minimum net weight requirements as specified in paragraph B. of this section will result in discounts by CCC of \$10 for the first shipping container and \$5 for each additional shipping container. No amendment will be required to reduce the contract quantity to reflect the aggregate of test weight shortages.

12. SHIPMENT AND DELIVERY - TRANSFER OF TITLE - RISK OF LOSS

- A.** Shipment and delivery must be made in accordance with this Announcement and Articles 56 and 64 of USDA-1.
- B.** Subject to the rights of rejection as provided in Article 60 of USDA-1 and section 12. of this Announcement, title and risk of loss of the butter will pass to CCC on the date of delivery, as evidenced by the following as applicable:

(1) **F.O.B. Destination or F.A.S. Vessel Delivery**

A signed and dated consignee's receipt or dock receipt.

(2) **F.O.B. Origin Delivery**

The date of delivery is the date provided by the carrier on the bill of lading when the carrier accepts the butter.

C. The Quantity of Butter Delivered

(1) The quantity of the butter delivered f.o.b. destination or f.a.s. vessel must be evidenced by a signed and dated consignee's receipt or dock receipt.

(2) The quantity of the butter delivered f.o.b. origin must be evidenced by a bill of lading signed by the carrier.

13. LIQUIDATED DAMAGES

A. Compensation to Contractor for Late Mailing of Notice to Deliver

Liquidated damages for delay in shipment due to late mailing of "Notice to Deliver" (KC-269) will be payable in accordance with Article 65 of USDA-1 and will be at the rate of \$0.15 per 100 pounds (net weight) per day.

B. Compensation to CCC for Delay in Shipment

Liquidated damages for delay in shipment will be payable in accordance with Article 67 of USDA-1 and will be at the rate of \$0.15 per 100 pounds (net weight) per day.

14. INVOICES AND PAYMENT

Invoicing and payment will be handled in accordance with Article 70, USDA-1. Invoices must be mailed to:

Kansas City Management Office
Fiscal Operations Division
P.O. Box 419205
Kansas City, Missouri 64141-6205

15. INQUIRIES

Inquiries pertaining to USDA-1 and this Announcement should be directed to:

Kansas City Commodity Office
Dairy and Domestic Operations Division
P.O. Box 419205
Kansas City, Missouri 64141-6205

/s/

Norman D. Houser
Acting Director
Kansas City Commodity Office

Attachments

UNITED STATES
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KANSAS CITY
COMMODITY OFFICE
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August 17, 1995

APPENDIX 2

Packaging and Marking Specifications

Announcement PBD-1

**Purchase of Packaged Butter
for Use in Domestic Programs**



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APPENDIX 2

Announcement PBD-1 Purchase of Packaged Butter for Use in Domestic Programs

Packaging and Marking Specifications

PART 1. BASIC PROVISIONS

1.1 PURPOSE

- A.** This Appendix outlines the packaging and marking requirements, container specifications, and procedures for the approval of containers and packaging materials used to package butter under the United States Department of Agriculture (USDA) domestic programs.
- B.** This Appendix supersedes all previous packaging requirements and specifications, outlined in handbooks, announcements, or notices, for use in shipments of packaged butter.
- C.** Changes to this Appendix will be issued periodically in the form of amendments to the Announcement. Contractors are advised to ensure that all subcontractors, e.g., container and packaging material manufacturers, are familiar with the requirements on a contract-by-contract basis.

1.2 USDA RESPONSIBILITIES

- A.** The Deputy Administrator, Commodity Operations (DACO), USDA-CFSA, Washington, D.C., is responsible for approving the use of all containers and packaging materials.
- B.** The Agricultural Marketing Service (AMS) is responsible for examining the containers and packaging materials according to the:
 - (1) Specifications in this Appendix.
 - (2) U.S. Standards for Condition of Food Containers.
 - (3) AMS Handbook for Inspection of the Condition of Food Containers.
- C.** The Kansas City Commodity Office (KCCO) is responsible for accepting or rejecting commodities, containers, and packaging materials on a contract-by-contract basis.

1.3 APPROVAL OF ALTERNATIVE PACKAGING

- A.** To request approval of alternative containers or packaging materials, commodity suppliers or package manufacturers must submit a written request to DACO, including the package construction specification and any supporting evidence of performance such as:
- (1) Laboratory test data.
 - (2) Reports of field testing.
 - (3) History of successful use in commercial channels.
- B.** The supporting evidence must show that the proposed alternative container or packaging material will perform as well as the container(s) or packaging material(s) currently authorized for use.
- C.** In response to requests, DACO will do one or more of the following:
- (1) Request that samples of the container or packaging material be sent for evaluation to a package testing laboratory designated by DACO.
 - (2) Require test shipments of filled containers.
 - (3) Authorize the use of the container or packaging material, in writing, based on the information submitted and/or completion of successful testing.

1.4 INQUIRIES

Inquiries concerning these specifications or the approval of alternative containers should be directed to:

USDA/CFSA/DACO
Contract Management Branch
P.O. Box 2415
Washington, D.C. 20013-2415
ATTN: Packaging

1.5 QUALITY CONTROL

To verify that containers or packaging materials continue to meet the applicable construction and performance specifications approved by DACO, the following steps are in effect under the authority of Article 54 of USDA-1.

- A.** At the contractor's plant, AMS will select random samples of the containers or packaging materials intended for use in shipment of the product.
- B.** AMS will send the samples to a package testing laboratory designated by DACO.
- C.** The number of samples selected and the frequency of laboratory testing will be determined by DACO.
- D.** Samples may or may not be evaluated at the laboratory prior to the packaging and shipment of the product.
- E.** Containers or packaging materials found to be in noncompliance may be rejected to CCC's contractor.
- F.** All samples will be held at the laboratory for future reference and will be examined, as deemed necessary, to determine compliance.

1.6 LIABILITY

In accordance with Article 60 of USDA-1, CCC's contractor will be liable if containers or packaging materials do not meet contract requirements.

1.7 GSA REGIONAL BUSINESS SERVICE CENTERS

Exhibit G is a list of General Services Administration (GSA) Regional Business Service Centers that supply copies of referenced Federal specifications and standards.

PART 2. GENERAL REQUIREMENTS

2.1 CONTAINERS AND MATERIALS

- A.** Unless otherwise specified, all containers and packaging materials must be:
- (1) Constructed as specified in this Appendix and any referenced specifications, or as authorized in writing by DACO.
 - (2) New and made of components and by processes which will not impart an odor, flavor, color, or other objectionable characteristic to the product being packaged.
 - (3) Constructed to meet the requirements of the Food and Drug Administration (FDA) for safe contact with the packaged product.
 - (4) Of a type normally used in commercial channels and constructed and closed in compliance with the applicable carrier rules and regulations.
 - (5) Constructed from the maximum amount of recycled materials practicable without jeopardizing performance or food safety.
- B.** All containers and packaging materials must be manufactured and assembled in the United States. The components that make up the fabricating materials of the containers and packaging materials must be of U.S. origin to the extent that they are commercially available. Questions concerning the availability of a material should be directed to:
- USDA/CFSA/DACO
Contract Management Branch
P.O. Box 2415
Washington, D.C. 20013-2415
ATTN: Packaging
- C.** The contractor must maintain records to verify that during the contract shipping period, at the point of packaging, the containers and packaging materials were in compliance with paragraph 2.1, B. See Article 76 of USDA-1.
- D.** Filled containers must be safe for individuals coming in contact with them during handling, stacking, and storage operations.

- E.** The weight capacity of a container, e.g., 36/1-pound, is defined as a container designed to hold 36 pounds of product.

2.2 CERTIFICATION OF COMPLIANCE

- A.** A Certification of Compliance (C.O.C.) must be provided by the container or packaging material manufacturer for each contract.
- B.** The C.O.C. must state that all containers or packaging materials meet the requirements of this Appendix.
- C.** AMS will determine whether the contractor has obtained a C.O.C. from the appropriate container or packaging material manufacturer.
- D.** The C.O.C. must be either printed on each individual container or provided in writing for review by AMS. When printed on the container, the C.O.C. must be as small as possible, yet legible.
- E.** The C.O.C. must read:

"THIS CONTAINER IS CONSTRUCTED IN COMPLIANCE WITH DACO
PACKAGING REQUIREMENTS"

or

"THIS PACKAGING MATERIAL IS CONSTRUCTED IN COMPLIANCE WITH
DACO PACKAGING REQUIREMENTS"
- F.** The C.O.C. may be printed in either upper or lower case lettering.

PART 3. CONTAINER AND PACKAGING REQUIREMENTS

3.1 PERFORMANCE REQUIREMENTS

- A.** Butter packages must provide a minimum two-year shelf life when stored under frozen conditions.
- B.** Butter wrappers and 25-kilogram capacity polyethylene bags must be constructed and sealed to prevent the butter from leaking during storage and distribution.

3.2 WRAPPERS

A 1/4-Pound and 1-Pound Prints.

One-pound and 1/4-pound prints must be properly wrapped with either a single sheet of 30-pound basis weight dry waxed vegetable parchment paper or wet strength paper, or a 20 to 30-pound wet strength paper waxed with a blend of polyethylene and microcrystalline or paraffin wax. Quarter-pound print wrappers for light butter must be constructed with a foil material for additional moisture and flavor protection. Quarter-pound prints must be packed in a carton constructed of grease resistant paperboard and 4 prints per carton.

B. Patties

Patties must be cut 90 per pound, and placed in layers into 5-pound capacity cartons. The layers must be separated by a sheet of waxed parchment paper, cellophane, or a similar grease resistant material. The 5-pound capacity carton must be constructed of grease resistant paperboard.

C. 25-Kilogram Bags

Twenty-five kilograms of butter must be placed in a bag constructed of a minimum 1.25 mil. polyethylene.

3.3 SHIPPING CONTAINERS

- A.** Shipping containers must be packed with 36/1-pound cartons, 18/1-pound cartons, 36/1-pound prints, 6/5-pound cartons, or 25-kilograms of butter.

- B.** Shipping containers must conform to Rule 41, as amended, of the Uniform Freight Classification (UFC) Rules and Regulations and be constructed of a minimum 32-pound edge crush test (ECT) corrugated fiberboard. The shipping containers must be a minimum single wall, regular slotted containers, however, Bliss-style, die-cut containers with 32-pound ECT bodies and 40-pound ECT ends, may be used for 1-pound cartons, prints, and 5-pound cartons.
- C.** The closure and sealing of outer flaps with tape or adhesive must be in accordance with UFC Rule 41, section 9, as amended.

 - (1) Staples or wire stitching is not permitted.
 - (2) Ends must be attached to the body by means of hot melt adhesive and body joints must be on the outside.
 - (3) The inner and outer flaps must be drawn together as closely as possible to ensure a compact and tight pack.
- D.** Shipping containers for 1-pound prints must have the inside surfaces coated scoreline to scoreline with either:

 - (1) paraffin of not lower than 128 degrees F melting point,
 - (2) polyethylene paraffin combination,
 - (3) polyethylene, or
 - (4) a similar material which prevents the absorption of moisture or butter oil by the fiberboard. The container flaps need not be coated. All coating must meet FDA requirements for safe contact with butter.
- E.** Shipping containers for 1-pound prints must have snug fitting pads constructed of a minimum 0.020-inch dry chipboard or similar material inserted inside the shipping container on the top and bottom.

3.4 UNITIZATION REQUIREMENT

Unless otherwise specified by CCC, all shipments of packaged products must be unitized (palletized and stretch wrapped) as follows:

- A. Pallets must be:**

 - (1) Constructed to facilitate the safe handling, stacking, and transportation of the packaged product, as a unit, without loss or damage.

- (2) 48 x 40 inches, four-way or partial four-way, and reversible or nonreversible flush stringer.
- (3) Suitable for use in the shipment of food products.

B. Plastic stretch-wrap must be:

- (1) Constructed of a plastic film which is to be stretched a minimum of 50 percent beyond its original length when stretched around the pallet load.
- (2) Applied as tightly as possible around all tiers of the palletized shipping containers. The shipping containers must be held firmly in place by the stretch-wrap.

C. Pallet loads must be:

- (1) Stacked in such a way as to minimize the amount that shipping containers overhang the edges of pallets. (While shipping containers may overhang the edges of pallets, contractors are reminded that they are responsible for the safe shipment and delivery of the product.)
- (2) Blocked and braced or otherwise loaded into the conveyance in a manner that prevents shifting during transit.

PART 4. MARKING REQUIREMENTS

4.1 GENERAL REQUIREMENTS

The wrappers and shipping containers must be clearly marked in WATERPROOF, PERMANENT, BLACK OR BLUE INK, in accordance with Exhibits A, A-1, B, B-1, C, C-1, D, E, and F. No markings other than those required shall appear unless approved by CCC.

4.2 STATE AND PLANT NUMBER

The State and plant number must be printed on each shipping container. The State and plant number is assigned by the State and reported by AMS in "Dairy Plants Surveyed and Approved for USDA Grading Service."

4.3 MONTH/YEAR OF PACK

The month/year of pack must appear on all shipping containers.

4.4 LOT CODE

A lot code must appear on all shipping containers. Lot codes relate to the day of production. Contractors may use any type of lot coding system, provided, it can identify the day of production in the contractor's records.

4.5. NUTRITIONAL INFORMATION

Nutritional information must be applied to all primary containers in accordance with the nutrition labeling regulations of the FDA as specified in 21 CFR Part 101. Twenty-five kilogram containers of butter are not required to have FDA nutritional information.

4.6 SAFE STACKING INSTRUCTIONS

Corrugated fiberboard shipping containers must be marked to show the maximum safe stacking height. This should be expressed as follows: "Do not stack above _____ tiers per pallet, _____ pallets high." It is the responsibility of the contractor in cooperation with the shipping container manufacturers to determine the safe stacking height.

4.7 UNIVERSAL PRODUCT CODE

- A.** A Universal Product Code (UPC) and symbol must appear on each primary package, and a UPC shipping container code called Interleaved 2 of 5 (I 2/5) must appear on each shipping container as specified below. In accordance with the UPC guidelines published by the Uniform Code Council, Incorporated, a 12-digit UPC (code and

symbol) must appear on each primary package and a 14-digit I 2/5 bar code must appear on each shipping container. For contrast in scanning, a white patch or block must be used as background for bar codes applied directly to metal containers. A high degree of contrast is required for bar codes applied directly to plastic containers. The UPC guidelines describe the requirements for the proper placement, printing, readability, and scanability for bar coding.

- B.** The format and code to be used is as follows:

Commodity	Pack Size	Primary Container Code	Shipping Container Code
Print Butter	1-pound	7 15001 02050 5	1 07 15001 02050 2
Light Butter	18¼-pound	7 15001 02016 1	1 07 15001 02016 8
Light Butter	36¼-pound	7 15001 02015 4	1 07 15001 02015 1
Patties	5-pound	7 15001 02017 8	1 07 15001 02017 5

- C.** The complete code including the check digit (the last digit of the applicable UPC code) must be printed in machine-readable and human-readable form. The start and stop indicators must be included in the bar code symbols. The UPC system is a commonly used method of bar coding merchandise in commercial channels. Package manufacturers, printers, and film master suppliers are familiar with this symbology. USDA has acquired a unique manufacturer's identification number for this application.
- D.** Further information concerning UPC codes and symbols may be obtained by contacting the:

Uniform Code Council, Inc. (UCC)
8163 Old Yankee Road, Suite J
Dayton, Ohio 45458
Phone (513) 435-3870

Contractors need not join the UCC.

4.8 KOSHER CERTIFICATION

When specified in the invitation, vendors under rabbinical supervision must either:

- A.** Place a Kosher certification symbol on individual packages and shipping containers. (The symbol shall attest to compliance with applicable dietary (Kosher) laws.)
- B.** Provide a letter to the consignee certifying compliance with applicable dietary (Kosher) laws.

4.9 RECYCLE SYMBOLS

- A.** The contractor must place the recycle symbol and the words "PLEASE RECYCLE" somewhere on the surface of each primary and shipping container which is widely recycled. By "widely recycled," it is meant recycled in most communities. The words "PLEASE RECYCLE" are to be placed under the recycle symbol. The following USDA packaging materials are widely recycled and should be marked with the symbol and statement in accordance with Exhibit E:
- (1) Corrugated fiberboard (cardboard) boxes
 - (2) Steel (tin) cans
 - (3) High density polyethylene (e.g., vegetable oil and liquid shortening bottles)
- B.** Packaging materials which are not required under the contract to be printed (e.g., certain plastic pouches, bags, and stretch films) need not be marked even though they can be recycled in many communities.
- C.** In addition to the recycle symbol and "PLEASE RECYCLE" statement, plastic containers must also be marked in accordance with the appropriate plastic material codes shown in Exhibit F. Reusable plastic overcaps must be marked with the appropriate plastic materials code only. The recycle symbol and "PLEASE RECYCLE" statement must be of sufficient size to be legible.

4.10 CERTIFICATION OF COMPLIANCE

A C.O.C. may be printed on each individual container. When printed on the container, the C.O.C. must be applied in accordance with Paragraph 2.2 of this Appendix.

4.11 CONTAINERS WITH INCORRECT MARKINGS

- A.** Containers displaying incorrect markings may be used provided that the incorrect markings are obliterated and correct markings are applied in a permanent manner.
- B.** The contractor must take necessary action, in accordance with USDA-1, Article 62, to prevent the appearance in commercial or other channels of containers and container materials bearing markings required under the contract, including those held by the contractor or others, e.g., overruns.

MARKINGS FOR BUTTER WRAPPERS

ONE-POUND PRINTS

	Note:
BUTTER	30 point type
Distributed by USDA in cooperation	12 " "
with State and local or tribal governments	12 " "
for domestic food assistance programs	12 " "
NOT TO BE SOLD OR EXCHANGED	18 " "
NET WEIGHT ONE POUND	12 " "
STORE BUTTER IN REFRIGERATOR AWAY FROM	12 " "
FOODS WITH STRONG ODOR	12 " "

Note: All letters must appear in the point type as noted above.

MARKINGS FOR DOMESTIC SHIPPING CONTAINERS

ONE-POUND PRINT BUTTER

BOTH SIDE PANELS

ONE END PANEL

OTHER END PANEL

BUTTER

Distributed by USDA in cooperation
with State and local or tribal governments
for domestic food assistance programs

NOT TO BE SOLD OR EXCHANGED

Storage Requirements:
Less Than 2 Weeks - Below 40°F
More Than 2 Weeks - 0°F, or Under

BUTTER

NET WT. 36 LBS. GROSS WT. ____ LBS.

PLANT NO. _____ 1/MONTH AND YEAR PACKED 2/USDA SYMBOL 3/

DO NOT STACK ABOVE _____ TIERS
PER PALLET, _____ PALLETS HIGH 4/

-
- 1/ Insert the applicable State and Plant number as listed in "Dairy Plants Surveyed and Approved for USDA Grading Service."
- 2/ Insert the month and year packed on one side panel or on one end panel.
- 3/ Insert the USDA Symbol shown in Exhibit E. The symbol must be centered and be as large as possible in direct proportion to the available printing surface.
- 4/ Insert the safe stacking height.

MARKINGS FOR LIGHT BUTTER WRAPPERS

ONE-POUND (4¹/₄-POUND PRINTS)

Note:

LIGHT BUTTER

30 point type

Distributed by USDA in cooperation
with State and local or tribal governments
for domestic food assistance programs

12 " "

12 " "

12 " "

NOT TO BE SOLD OR EXCHANGED

18 " "

NET WEIGHT ONE POUND

12 " "

STORE BUTTER IN REFRIGERATOR AWAY FROM
FOODS WITH STRONG ODOR

12 " "

12 " "

Note: All letters must appear in the point type as noted above.

MARKINGS FOR DOMESTIC SHIPPING CONTAINERS

LIGHT BUTTER

BOTH SIDE PANELS

ONE END PANEL

OTHER END PANEL

LIGHT BUTTER

LIGHT BUTTER

USDA SYMBOL 4/

Distributed by USDA in cooperation
with State and local or tribal governments
for domestic food assistance programs

NET WT. 1/ LBS. GROSS WT. ____ LBS.

NOT TO BE SOLD OR EXCHANGED

PLANT NO. _____ 2/DO NOT STACK ABOVE _____ TIERS
PER PALLET, _____ PALLETS HIGH 5/

Storage Requirements:
Less Than 2 Weeks - Below 40°F
More Than 2 Weeks - 0°F, or Under

MONTH AND YEAR PACKED 3/

-
- 1/ Insert 36 or 18, whichever is applicable.
- 2/ Insert the applicable State and Plant number as listed in "Dairy Plants Surveyed and Approved for USDA Grading Service."
- 3/ Insert the month and year packed on one side panel or on one end panel.
- 4/ Insert the USDA Symbol shown in Exhibit E. The symbol must be centered and be as large as possible in direct proportion to the available printing surface.
- 5/ Insert the safe stacking height.

MARKINGS FOR BUTTER PATTIES

FIVE-POUND BOXES

	Note:
BUTTER PATTIES	30 point type
Distributed by USDA in cooperation with State and local or tribal governments for domestic food assistance programs	12 " " 12 " " 12 " "
NOT TO BE SOLD OR EXCHANGED	18 " "
NET WEIGHT FIVE LBS.	12 " "
STORE BUTTER IN REFRIGERATOR AWAY FROM FOODS WITH STRONG ODOR	12 " " 12 " "

Note: All letters must appear in the point type as noted above.

MARKINGS FOR DOMESTIC SHIPPING CONTAINERS**BUTTER PATTIES****BOTH SIDE PANELS****ONE END PANEL****OTHER END PANEL****BUTTER PATTIES**

Distributed by USDA in cooperation
with State and local or tribal governments
for domestic food assistance programs

NOT TO BE SOLD OR EXCHANGED

Storage Requirements:
Less Than 2 Weeks - Below 40°F
More Than 2 Weeks - 0°F, or Under

BUTTER PATTIES

NET WT. 30 LBS. GROSS WT. ____ LBS.

PLANT NO. _____ 1/

MONTH, DAY AND YEAR PACKED 2/

USDA SYMBOL 3/

DO NOT STACK ABOVE ____ TIERS
PER PALLET, ____ PALLETS HIGH 4/

-
- 1/ Insert the applicable State and Plant number as listed in "Dairy Plants Surveyed and Approved for USDA Grading Service."
- 2/ Insert the month, day, and year packed on one side panel or on one end panel.
- 3/ Insert the USDA Symbol shown in Exhibit E. The symbol must be centered and be as large as possible in direct proportion to the available printing surface.
- 4/ Insert the safe stacking height.

MARKINGS FOR DOMESTIC SHIPPING CONTAINERS

BUTTER 25 KILO

BOTH SIDE PANELS

ONE END PANEL

OTHER END PANEL

BUTTER

BUTTER

USDA SYMBOL 3/

Distributed by USDA in cooperation
with State and local or tribal governments
for domestic food assistance programs

NET WT. 25 KG (55.115 LBS.)

NOT TO BE SOLD OR EXCHANGED

PLANT NO. _____ 1/

DO NOT STACK ABOVE _____ TIERS
PER PALLET, _____ PALLETS HIGH 4/

Storage Requirements:
Less Than 2 Weeks - Below 40°F
More Than 2 Weeks - 0°F, or Under

MONTH, DAY AND YEAR
OF MANUFACTURE 2/

CHURNING NO. _____ 5/

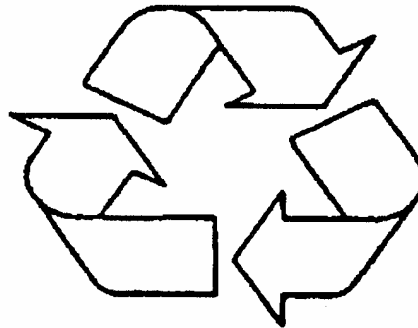
BOX SERIAL NUMBER, IN ORDER
OF PRODUCTION _____ 6/

-
- 1/ Insert the applicable State and Plant number as listed in "Dairy Plants Surveyed and Approved for USDA Grading Service."
- 2/ Insert the month, day, and year manufactured on one side panel or on one end panel.
- 3/ Insert the USDA Symbol shown in Exhibit E. The symbol must be centered and be as large as possible in direct proportion to the available printing surface.
- 4/ Insert the safe stacking height.
- 5/ Churning number.
- 6/ Box serial number, in order of production.

USDA SYMBOL



RECYCLE SYMBOL



**PLEASE
RECYCLE**

PLASTIC MATERIALS CODE SYSTEM

CODE

MATERIAL



----- Poly-Ethylene Terephthalate (PET)



----- High Density Polyethylene



----- Vinyl/Polyvinyl Chloride (PVC)



----- Low Density Polyethylene



----- Polypropylene



----- Polystyrene



----- All Other Resins

GSA REGIONAL BUSINESS SERVICE CENTERS¹GSA Business Service Center Areas of Service, Addresses, and Phone Numbers

National Capital Region

District of Columbia, nearby Maryland and Virginia:

7th and D Sts., SW
 Room 1050
 Washington, D.C. 20407
 (202) 472-1804

Region 1

Connecticut, Maine, Vermont, New Hampshire, Massachusetts, Rhode Island:

Boston Federal Office Building
 10 Causeway St.
 Boston, MA 02222
 (617) 565-8100

Region 2

New Jersey, New York, Puerto Rico, Virgin Islands:

Jacob K. Javits Building
 26 Federal Plaza
 New York, NY 10278
 (212) 264-1234

Region 3

Pennsylvania, Delaware, West Virginia, Virginia and Maryland except the District of Columbia metro area:

9th and Market Streets
 Room 5151
 Philadelphia, PA 19107
 (215) 597-9613

Region 4

Alabama, Florida, Kentucky, Georgia, Mississippi, North Carolina, South Carolina and Tennessee:

75 Spring Street SW
 Atlanta, GA 30303
 (404) 331-5103-3032

Region 5

Illinois, Indiana, Ohio, Michigan, Minnesota and Wisconsin:

230 South Dearborn Street
 Chicago, IL 60604
 (312) 353-5383

Region 6

Iowa, Kansas, Missouri and Nebraska:

1500 East Bannister Road
 Kansas City, MO 64131-3088
 (816) 926-7203

Region 7

Arkansas, Louisiana, Texas, New Mexico, and Oklahoma:

819 Taylor Street
 Fort Worth, TX 76102
 (817) 334-3284

Region 8

Colorado, North Dakota, South Dakota, Utah, Montana and Wyoming:

Denver Federal Center
 P.O. Box 25006
 Room 145
 Denver, CO 80225-0006
 (303) 236-7408

Region 9

Northern California, Hawaii, all of Nevada except Clark County:

525 Market Street
 San Francisco, CA 94105
 (415) 974-0523

Los Angeles, Southern California, Arizona and Clark County, Nevada:

300 North Los Angeles Street
 Room 3259
 Los Angeles, CA 90012-2000
 (213) 894-3210

Region 10

Alaska, Idaho, Oregon and Washington:

Room 2413
 15th and C Streets, SW
 Auburn, WA 98001
 (206) 931-7956

¹ If copies of specifications and/or standards are not available from the above-listed centers, write to the following:

General Services Administration
 Specifications Section
 Room 6654
 7th and D Streets, SW
 Washington, DC 20407